# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:5106
ANSWERED ON:11.05.2007
TAXES FROM BPO
Meinya Dr. Thokchom

**Will the Minister of FINANCE be pleased to state:**

(a) the amount of foreign exchange earned by India from Business Process Outsourcing (BPO) during the last three years;

(b) whether the Government has received representation from various quarters that Fringe Benefit Tax (FBT) and Minimum Alternative Tax (MAT) hurt BPO business;

(c) if so, whether the Government proposes to change its FBT and MAT policy in order to further expand or encourage the BPO business in India; and

(d) if so, the details thereof?

## Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM)

(a) The amount of exports by IT Enabled Services (ITES)/Business Process Outsourcing (BPO) is as follows:-

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2003-04 - $ 3,600 million
2004-05 - $ 4,600 million
2005-06 - $ 6,300 million
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Figures for 2006-07 are not available.

(b) Yes, Sir.

(c) No, Sir.

(d) Does not arise.